

May 18, 1983

LB 17

SPEAKER NICHOL: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I rise to oppose the DeCamp amendment. I am not sure at this point which representations need to be directly addressed. At one point, Senator DeCamp indicated that his amendment was the Revenue Department's amendment. We now clearly have the renunciation of that by the Tax Commissioner which was the arguments I made on the floor. On General File Senator DeCamp had argued that analogous situations such as the picture which I held up for taxable items, I am sorry, were not taxable items and were exempt and as a matter of fact he indicated the bill should be kept alive if what he said was not so. What he said then was not so. Those items are taxed as many analogous items are taxed. His last speech was the veiled partisanship threat and argument about a supposedly weak industry, an industry capable of hiring some very fine representatives including a former Governor of the State of Nebraska. That is to me a big gun and I think a very talented and intelligent representative to have. I don't think that is the mark of some weak sister by any means but a very sophisticated and knowledgeable group and they have done a fine job of lobbying. There can be no doubt about it. The point is that where we have made a distinction on simple labor, the Newell amendment adopted on Select File made an exemption, that is not covered. Where there is a blending of product and labor, however, that is to be taxed as it is in a great many other situations, a list of which you will recall I read on Select File that are specifically mentioned in Nebraska law. It seems to me that the Legislature has spent a great deal of time arguing this issue and I would suggest to you that the Revenue Committee has done its work. We did it last year when we reported this bill out unanimously. We did it this year when we reported this bill out twice unanimously before hearings that were unattended by anybody other than the Revenue Department. With respect to location decisions by industries, this body continually deludes itself with protectionists arguments that indicate that tax burdens are a major factor in the location decisions of businesses and there isn't a single study to prove it. Now we can make all the wild allegations we wish because there has been a lot of wild allegations, many of which over time have been proven to be wrong in the representations of this bill but one of them that is made not only in this bill but in others is that the location of business is a direct product of the tax burdens in states. That is simply not so. For example, in the State of Ohio, they did away with their corporate taxes...

SPEAKER NICHOL: One minute.